

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION BY THE PUBLIC SERVICE)	
COMMISSION OF THE APPLICATION OF THE)	
FUEL ADJUSTMENT CLAUSE OF MEADE COUNTY)	CASE NO. 92-511
RURAL ELECTRIC COOPERATIVE CORPORATION)	
FROM NOVEMBER 1, 1990 TO OCTOBER 31,)	
1992)	

O R D E R

Pursuant to Commission Regulation 807 KAR 5:056, the Commission on December 3, 1992 established this case to review and evaluate the operation of the fuel adjustment clause ("FAC") of Meade County Rural Electric Cooperative Corporation ("Meade County") for the two years ended October 31, 1992.

As part of this review, the Commission ordered Meade County to submit certain information and an affidavit attesting to its compliance with Commission Regulation 807 KAR 5:056. Meade County has complied with this Order. The Commission further ordered that a public hearing be held in this case but cancelled it when, after publication of notice, no interested party advised the Commission of its intention to attend.

Meade County is a distribution cooperative which purchases its power from Big Rivers Electric Corporation ("Big Rivers"). In Case No. 90-360-C,¹ the Commission found that Big Rivers incurred

¹ Case No. 90-360-C, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation from November 1, 1991 to April 30, 1992, Order dated July 21, 1994.

unreasonable fuel costs which were passed on to its member cooperatives. Big Rivers was ordered to return those amounts, with interest, to its members via a monthly credit to its fuel cost over a 12-month period beginning August 1994. These credits will, in turn, be passed through to Meade County's customers through the normal operation of its FAC.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds that:

1. Meade County has complied in all material respects with the provisions of Commission Regulation 807 KAR 5:056 during the period under review.

2. Big Rivers has been authorized to transfer (roll-in) a 0.40 mills per Kwh decrease in its base fuel cost to its base rates.²

3. Meade County should be authorized to transfer (roll-in) a 0.424 mills per Kwh decrease in its base fuel costs to its base rates to reflect, as adjusted for line loss, the transfer of a 0.40 mills per Kwh decrease in Big Rivers' base rates. This transfer can best be accomplished by a negative energy adder to each Kwh sold.

4. The rates and charges in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable, and reflect the transfer of fuel costs from the FAC to the base rate.

² Case No. 92-490, An Examination by the Public Service Commission of the Application of the Fuel Adjustment Clause of Big Rivers Electric Corporation From November 1, 1990 to October 31, 1992, consolidated with Case No. 90-360-C.

IT IS THEREFORE ORDERED that:

1. Meade County be and it hereby is authorized to transfer to base rates those fuel costs (as adjusted for line-loss) rolled-in by Big Rivers from its FAC to its base rates.

2. The rates in Appendix A are approved for service rendered by Meade County on and after August 1, 1994.

3. Within 30 days of the date of this Order, Meade County shall file with the Commission revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 22nd day of July, 1994.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-511 DATED July 22, 1994.

The following rates and charges are prescribed for the customers in the area served by Meade County Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATE SCHEDULE 1 - RESIDENTIAL, FARM AND NON-FARM, SCHOOLS AND CHURCHES

First	300 KWH Per Month	\$.07451
Next	700 KWH Per Month	.05961
All Over 1,000	KWH Per Month	.05537

RATE SCHEDULE 2 - COMMERCIAL RATE

First	500 KWH Per Month	\$.07922
Next	500 KWH Per Month	.07273
All Over 1,000	KWH Per Month	.06441

RATE SCHEDULE 3 - GENERAL SERVICE, 0-49 KVA

First	500 KWH Per Month	\$.07762
Next	500 KWH Per Month	.07193
All Over 1,000	KWH Per Month	.06346

**RATE SCHEDULE 4 - LARGE POWER SERVICE
OVER 50 KVA**

Rates:

\$.06705 Per KWH for the first 100 KWH used per month per KW
of billing demand.

.06067 Per KWH for the next 100 KWH used per month per KW
of billing demand.

.05802 Per KWH for the next 100 KWH used per moth per KW
of billing demand.

.05640 Per KWH for all remaining 100 KWH used per month.

**RATE SCHEDULE 5 - OUTDOOR LIGHTING SERVICE
INDIVIDUAL CONSUMERS**

175 Watt Unmetered - per Month	\$ 7.26
175 Watt Metered - per Month	3.65
400 Watt Unmetered - per Month	10.08
400 Watt Metered - per Month	3.65

**RATE SCHEDULE 6 - STREET LIGHTING SERVICE
COMMUNITY, MUNICIPALITIES AND TOWNS**

175 Watt - Per Month	\$ 6.34
400 Watt - Per Month	9.23